

10112

OFFICIAL
FILE COPY
DO NOT SEND OUT
(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

THE LEGACY DONOR FOUNDATION

FINANCIAL STATEMENTS

MARCH 31, 2008 AND 2007

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 10/22/08

P&N Postlethwaite
& Netterville

A Professional Accounting Corporation

www.pncpa.com

THE LEGACY DONOR FOUNDATION

FINANCIAL STATEMENTS

MARCH 31, 2008 AND 2007

CONTENTS

	<u>Page</u>
<u>INDEPENDENT AUDITORS' REPORT</u>	1
<u>FINANCIAL STATEMENTS</u>	
Statements of Financial Position	2
Statements of Activities and Changes in Net Assets	3
Statements of Functional Expenses	4 - 5
Statements of Cash Flows	6
<u>NOTES TO FINANCIAL STATEMENTS</u>	7 - 10
<u>REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS</u>	11 - 12

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Legacy Donor Foundation

We have audited the accompanying statements of financial position of The Legacy Donor Foundation (the Foundation) as of March 31, 2008 and 2007, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Legacy Donor Foundation as of March 31, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2008, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Postlethwaite + Netterville

Metairie, Louisiana
October 15, 2008

THE LEGACY DONOR FOUNDATION
STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2008 AND 2007

ASSETS

	<u>2008</u>	<u>2007</u>
Current assets:		
Cash and cash equivalents	\$ 194,389	\$ 536,936
Cash restricted for specific use (note 2)	83,905	21,424
Certificate of deposit	375,000	-
Accrued interest receivable	4,951	-
Promises to give (notes 2 and 3)	121,900	9,650
Total current assets	<u>780,145</u>	<u>568,010</u>
Equipment, net of accumulated depreciation	<u>1,896</u>	<u>-</u>
Total assets	<u><u>\$ 782,041</u></u>	<u><u>\$ 568,010</u></u>

LIABILITIES AND NET ASSETS

	<u>2008</u>	<u>2007</u>
Current liabilities - accounts payable	<u>\$ 18,126</u>	<u>\$ 65</u>
Net assets:		
Unrestricted	558,110	536,871
Temporarily restricted (note 2)	205,805	31,074
Total net assets	<u>763,915</u>	<u>567,945</u>
Total liabilities and net assets	<u><u>\$ 782,041</u></u>	<u><u>\$ 568,010</u></u>

The accompanying notes are an integral part of these financial statements.

THE LEGACY DONOR FOUNDATION

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED MARCH 31, 2008 AND 2007**

	2008			2007		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues and support:						
• Contributions and pledges	\$ 712	\$ -	\$ 712	\$ 37,535	\$ -	\$ 37,535
Special event - Soul Revival (note 5) (net of direct costs of \$80,730 and \$88,237 for 2008 and 2007, respectively)	169,750	21,900	191,650	125,026	9,650	134,676
State grants (note 3)	-	200,000	200,000	-	-	-
Restricted contributions	15,000	-	15,000	-	-	-
Interest income	18,632	-	18,632	15,970	-	15,970
Net assets released from restrictions (note 2)	47,169	(47,169)	-	16,857	(16,857)	-
Total revenues and other support	<u>251,263</u>	<u>174,731</u>	<u>425,994</u>	<u>195,388</u>	<u>(7,207)</u>	<u>188,181</u>
Expenses:						
Programs:						
Physician Education Program (note 4)	40,123	-	40,123	-	-	-
General Awareness Campaign (note 4)	63,827	-	63,827	-	-	-
Youth Forum Initiative Program (note 4)	47,086	-	47,086	14,563	-	14,563
Minority Initiative (note 4)	-	-	-	16,857	-	16,857
Total programs	<u>151,036</u>	<u>-</u>	<u>151,036</u>	<u>31,420</u>	<u>-</u>	<u>31,420</u>
Fundraising	25,755	-	25,755	5,382	-	5,382
Management and general	53,233	-	53,233	109,235	-	109,235
Total expenses	<u>230,024</u>	<u>-</u>	<u>230,024</u>	<u>146,037</u>	<u>-</u>	<u>146,037</u>
Change in net assets	21,239	174,731	195,970	49,351	(7,207)	42,144
NET ASSETS AT BEGINNING OF THE YEAR	<u>536,871</u>	<u>31,074</u>	<u>567,945</u>	<u>487,520</u>	<u>38,281</u>	<u>525,801</u>
NET ASSETS AT END OF THE YEAR	<u>\$ 558,110</u>	<u>\$ 205,805</u>	<u>\$ 763,915</u>	<u>\$ 536,871</u>	<u>\$ 31,074</u>	<u>\$ 567,945</u>

The accompanying notes are an integral part of these statements.

THE LEGACY DONOR FOUNDATION
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED MARCH 31, 2008 AND 2007

	Program Services				Supporting Services		
	Physician Education	General Awareness Campaign	Youth Forum Initiative	Total Program Services	Fundraising	Management and General	Total Supporting Services
2008							
Advertising and marketing	\$ 100	\$ 13,500	\$ -	\$ 13,600	\$ 300	\$ 9,627	\$ 9,927
Contract Labor	-	-	-	-	-	4,000	4,000
Depreciation	-	-	-	-	-	542	542
Entertainment/food/decorations	-	-	1,687	1,687	48,035	-	48,035
Event rental expense	-	-	1,710	1,710	8,713	-	8,713
Give-aways	10,922	6,359	4,234	21,515	2,059	-	2,059
Insurance	-	-	-	-	-	1,635	1,635
Meetings and travel	-	-	707	707	127	5,343	5,470
Miscellaneous	-	130	5	135	647	2,904	3,551
Office supplies and services	25	98	441	564	279	1,435	1,714
Postage and shipping	130	25	218	373	2,994	127	3,121
Printing and publications	8,821	1,974	1,671	12,466	17,576	868	18,444
Professional fees	7,691	-	-	7,691	-	17,200	17,200
Salaries and related benefits	12,434	41,741	36,413	90,588	25,755	9,552	35,307
Total expenses	40,123	63,827	47,086	151,036	106,485	53,233	159,718
							310,754
Less: expenses netted with revenues on the statement of activities:							
Direct benefit cost of special events	-	-	-	-	(80,730)	-	(80,730)
Total expenses reported by function	\$ 40,123	\$ 63,827	\$ 47,086	\$ 151,036	\$ 25,755	\$ 53,233	\$ 78,988
							\$ 230,024

The accompanying notes are an integral part of these statements.

THE LEGACY DONOR FOUNDATION
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED MARCH 31, 2008 AND 2007

	Program Services			Supporting Services		
	Youth Forum Initiative	Minority Initiative	Total Program Services	Fundraising	Management and General	Total Supporting Services
2007						
Advertising and marketing	\$ -	\$ -	\$ -	\$ 4,466	\$ -	\$ 4,466
Contract Labor	-	-	-	-	24,000	24,000
Depreciation	-	-	-	-	-	-
Entertainment/food/decorations	-	-	-	58,724	-	58,724
Event rental expense	1,752	-	1,752	-	-	1,752
Give-aways	204	2,283	2,487	4,800	-	4,800
Insurance	-	-	-	-	2,316	2,316
Meetings and travel	180	-	180	-	1,896	1,896
Miscellaneous	404	-	404	-	1,478	1,478
Office supplies and services	431	-	431	181	999	1,180
Postage and shipping	44	-	44	5,348	631	5,979
Printing and publications	451	3,477	3,928	12,058	-	12,058
Professional fees	-	-	-	2,660	19,750	22,410
Salaries and related benefits	11,097	11,097	22,194	5,382	58,165	63,547
Total expenses	14,563	16,857	31,420	93,619	109,235	202,854
Less: expenses netted with revenues on the statement of activities:						
Direct benefit cost of special events	-	-	-	(88,237)	-	(88,237)
Total expenses reported by function	\$ 14,563	\$ 16,857	\$ 31,420	\$ 5,382	\$ 109,235	\$ 114,617
						\$ 146,037

The accompanying notes are an integral part of these statements.

THE LEGACY DONOR FOUNDATION

STATEMENTS OF CASH FLOWS
YEARS ENDED MARCH 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>OPERATING ACTIVITIES</u>		
Change in net assets	\$ 195,970	\$ 42,144
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	542	-
Increase in promises to give	(112,250)	(9,650)
Increase in accrued interest receivable	(4,951)	-
Increase (decrease) in accounts payable	18,061	(8,621)
Net cash provided by operating activities	<u>97,372</u>	<u>23,873</u>
<u>CAPITAL AND RELATED FINANCING ACTIVITIES</u>		
Purchase of equipment	(2,438)	-
Net cash used in capital and related financing activities	<u>(2,438)</u>	<u>-</u>
<u>INVESTING ACTIVITIES</u>		
Purchase of certificate of deposit	(375,000)	-
Net cash used in investing activities	<u>(375,000)</u>	<u>-</u>
Net increase (decrease) in cash	(280,066)	23,873
Cash and cash equivalents, beginning of year	<u>558,360</u>	<u>534,487</u>
Cash and cash equivalents, end of year	<u>\$ 278,294</u>	<u>\$ 558,360</u>
Cash and cash equivalents is comprised of:		
Cash and cash equivalents	\$ 194,389	\$ 536,936
Cash restricted for specific use	83,905	21,424
	<u>\$ 278,294</u>	<u>\$ 558,360</u>

The accompanying notes are an integral part of these statements.

THE LEGACY DONOR FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Organization

The Legacy Donor Foundation (formerly The National Donor Awareness Foundation) (the Foundation) is a 501 (c) (3) non-profit corporation incorporated on August 18, 1999 under the laws of the State of Louisiana. The Foundation's mission is to prevent the loss of human life due to lack of available organs for transplantation by educating the citizens of Louisiana about the critical need for organ, eye, and tissue donation. Through public education and awareness activities, the Foundation promotes organ donation and fosters informed family acceptance of the process.

Basis of Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Classification of Net Assets

Financial Accounting Standards Board Statement No. 117 entitled "Financial Statements of Not-For-Profit Organizations" requires that net assets and changes in net assets be reported for three classifications—permanently restricted, temporarily restricted, and unrestricted—based on the existence or absence of donor imposed restrictions of the assets to a particular purpose. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

- Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.
- Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time.
- Permanently restricted net assets - Net assets subject to donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled and removed by actions of the Foundation pursuant to those stipulations. The Foundation has no permanently restricted net assets.

THE LEGACY DONOR FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statements of activities as net assets released from restriction.

Promises to Give

Legally enforceable promises to give are recorded as receivables and support when unconditionally pledged. Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Promises to give receivable are not discounted unless the discount is material.

Equipment

Equipment consists of computer equipment and is stated at cost. Depreciation is provided on a straight-line basis over the estimated useful life of the related asset.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid investments in money market funds to be cash equivalents.

Credit Risk

At March 31, 2008 and 2007, the Foundation had cash deposits in excess of federally insured limits of approximately \$564,445 and \$459,465, respectively.

Contributed Services

Members of the Foundation's board of directors and other volunteers have made significant contributions of their time to assist in the Foundation's operations and related charitable programs. The value of this contributed time is not recorded in these financial statements because it is not susceptible to objective measurement or valuation.

THE LEGACY DONOR FOUNDATION

NOTES TO FINANCIAL STATEMENTS

2. Restricted Assets

The Foundation has the following temporarily restricted assets as of March 31, 2008 and 2007:

<u>2008</u>	<u>Cash</u>	<u>Promises to Give</u>	<u>Total</u>
Special Event - Soul Revival	\$ -	\$ 21,900	\$ 21,900
Grant – Physician Education	62,481	-	62,481
Grant – General Awareness	-	100,000	100,000
Minority Initiative	21,424	-	21,424
	<u>\$ 83,905</u>	<u>\$ 121,900</u>	<u>\$ 205,805</u>
<u>2007</u>	<u>Cash</u>	<u>Promises to Give</u>	<u>Total</u>
Special Event - Soul Revival	\$ -	\$ 9,650	\$ 9,650
Minority Initiative	21,424	-	21,424
	<u>\$ 21,424</u>	<u>\$ 9,650</u>	<u>\$ 31,074</u>

Net assets released from restrictions during 2008 and 2007 by incurring expenses satisfying the restricted purposes or by expiration of time restrictions totaled \$47,169 and \$16,857, respectively. The net assets released were related to the Physician Education and Youth Forum Initiative Programs and collection of Soul Revival receivables.

3. Promises to Give

Promises to give are reflected on the statement of financial position as temporarily restricted net assets.

4. Programs

Physician Education Program

The Physician Education Program helps physicians understand their crucial role in educating patients about organ and tissue donation during office visits, while at the same time dispelling myths and misconceptions. The program is designed to increase physicians' knowledge about organ and tissue donation and transplantation and enable them to discuss donation and transplantation with their patients.

THE LEGACY DONOR FOUNDATION

NOTES TO FINANCIAL STATEMENTS

4. Programs (continued)

General Awareness Campaign

The Foundation participates in workplace partnerships, health fairs and general awareness programs to bring the message of donation to the citizens of Louisiana

Youth Forum Initiative Program

The Foundation received funding to provide half-day programs designed specifically for high school students. The mission of this program is to raise awareness and provide accurate information on organ donation and transplantation while dispelling commonly held myths and misconceptions; encourage discussion about donation among teens and between teens and their families; and better equip educators with resources and tools to teach about the life-saving possibilities of organ and tissue donation.

Minority Initiative Program

The Foundation received funding to provide an educational program to the African American community of the Greater New Orleans area. The mission of this program is to provide public awareness on the need for African American families to learn about organ donation and become registered organ donors.

5. Special Event - Soul Revival

Soul Revival is the Foundation's annual fundraising gala. The funds the Foundation raises during Soul Revival support critical awareness and education programs that aim to reduce the number of Louisianans who die waiting for lifesaving organ transplants.

6. Income Taxes

No provision for federal or state income taxes has been reflected in the accompanying financial statements because the Foundation is exempt from income taxes under Section 501(c)(3) of the United States Internal Revenue Code.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
The Legacy Donor Foundation

We have audited the financial statements of The Legacy Donor Foundation (the Foundation) as of and for the year ended March 31, 2008, and have issued our report thereon dated October 15, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Foundation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Foundation's financial statements that is more than inconsequential will not be prevented or detected by the Foundation's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Foundation's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, and state awarding agencies and pass-through entities, such as the State of Louisiana and Legislative Auditor's Office, and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Postlethwaite + Nettenville

Metairie, Louisiana
October 15, 2008